



House of Representatives

General Assembly

File No. 331

January Session, 2009

Substitute House Bill No. 6344

House of Representatives, March 30, 2009

The Committee on Higher Education and Employment Advancement reported through REP. WILLIS of the 64th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING EDUCATION AND CAREER TRAINING PROGRAMS IN ENTERPRISE CORRIDOR ZONES AND SUSTAINABLE ENERGY CAREERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2009*) The Commissioner of
2 Economic and Community Development, in consultation with the
3 Commissioner of Higher Education, shall, within available
4 appropriations and by taking all feasible steps to maximize available
5 federal funds, advertise education and career training programs
6 located in the industrial districts that comprise enterprise corridor
7 zones pursuant to section 32-80 of the general statutes in such a
8 manner as the commissioners determine will most effectively attract a
9 greater number of businesses to such enterprise corridor zones.
- 10 Sec. 2. (NEW) (*Effective July 1, 2009*) The Commissioner of Higher
11 Education shall, within available appropriations and by taking all
12 feasible steps to maximize available federal funds, develop worker

13 retraining programs for sustainable energy careers in the following
14 areas: (1) Building construction, (2) electrical systems, and (3) heating,
15 ventilation and air conditioning systems. Such worker retraining
16 programs shall be offered by July 1, 2010, by the regional community-
17 technical colleges at such colleges and, under an agreement with the
18 Department of Education, at the vocational-technical schools as
19 afternoon and evening workforce redeployment courses.

| | | |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2009</i> | New section |
| Sec. 2 | <i>July 1, 2009</i> | New section |

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|-----------|---------------------|-------------|
| Section 1 | <i>July 1, 2009</i> | New section |
| Sec. 2 | <i>July 1, 2009</i> | New section |

HED *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 10 \$ | FY 11 \$ |
|---|----------------|-------------------|-------------------|
| Department of Economic & Community Development | GF - See Below | Potential Minimal | Potential Minimal |
| Higher Ed., Dept. | GF - See Below | 75,000 | 75,000 |
| Education, Dept. | GF - Cost | Potential Minimal | Potential Minimal |
| Comptroller Misc. Accounts (Fringe Benefits) ¹ | GF - Cost | 19,073 | 19,073 |
| Colleges, Regional Comm.-Tech. | GF - Cost | Significant | Significant |

Note: GF=General Fund

Municipal Impact: None

Explanation

Section 1 of the bill requires the Department of Economic and Community Development (DECD), in consultation with the Department of Higher Education (DHE), to advertise education and career training programs in enterprise corridor zones. This could result in minimal costs associated with printing and postage.

Section 2 of the bill is anticipated to result in one additional staff person for DHE to administer the worker retraining program. Based on similar positions established within the department, it is anticipated that the cost of the additional position would be approximately \$75,000

¹ The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller on an actual cost basis. The following is provided for estimated costs associated with additional personnel. The estimated non-pension fringe benefit rate as a percentage of payroll is 25.43%. Fringe benefit costs for new positions do not initially include pension costs as the state's pension contribution is based upon the 6/30/08 actuarial valuation for the State Employees Retirement System (SERS) which certifies the contribution for FY 10 and FY 11. Therefore, new positions will not impact the state's pension contribution until FY 12 after the next scheduled certification on 6/30/2010.

plus fringe benefits.²

Additionally, **Section 2** requires worker retraining programs to be offered at vocational-technical high schools as afternoon and evening workforce deployment courses. It is unclear who would pay the cost of having to operate the vocational-technical high schools during the time that the workforce retraining courses are offered. For most afternoon and evening programs, the vocational-technical high schools charge fees for the use of their facilities. The average fees include: \$100 per hour for use of a gymnasium, computer lab, or lecture hall, \$35 per hour for custodial staff, and \$35 per hour for cafeteria staff. If the vocational-technical high schools charge the Department of Higher Education or Community Technical Colleges for use of their facilities, it will result in an additional cost to those agencies. If the vocational-technical high schools do not charge the participating agencies, it will result in a cost to their own budget for additional hours of operation. It is anticipated the facility costs of the worker retraining program would be minimal, as an average 54 hour program results in facility fees of approximately \$7,290.

The requirement that the Regional Community-Technical Colleges (RCTC) offer courses in worker retraining will result in a significant cost to the RCTC system. These costs would include the need for staff and equipment. Cost could be as high as \$12.0 million per year depending upon the eventual structure of the programs.

The bill specifies that DECD and DHE apply for any federal economic stimulus funds available and implement the provisions of the bill within available appropriations. With passage of the bill, the

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agencies would either (1) re-allocate existing funding for this purpose from another program; (2) incur additional costs; (3) delay or not implement this program due to lack of funding; or (4) implement the program with federal stimulus funding.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 6344*****AN ACT CONCERNING EDUCATION AND CAREER TRAINING PROGRAMS IN ENTERPRISE CORRIDOR ZONES AND SUSTAINABLE ENERGY CAREERS.*****SUMMARY:**

This bill requires the economic and community development commissioner to consult with the higher education commissioner to advertise education and career training programs in enterprise corridor zones in a way in which they determine will most effectively attract businesses to these zones. The commissioners must do so within available appropriations and by taking all feasible steps to maximize available federal funds.

The bill also requires the higher education commissioner, within available appropriations and by taking all feasible steps to maximize available federal funds, to develop worker retraining programs for sustainable energy careers in (1) building construction; (2) electrical systems; and (3) heating, ventilation, and air conditioning systems. The programs must be offered, by July 1, 2010, by the community colleges at (1) their campuses and (2) the vocational-technical schools, under an agreement with the State Department of Education, as afternoon and evening workforce deployment courses.

EFFECTIVE DATE: July 1, 2009

BACKGROUND***Enterprise Corridor Zones***

These zones are state-designated areas where manufacturers and other specified businesses qualify for property tax abatements and business tax credits for developing facilities and creating jobs.

Related Bills

HB 5975, reported by the Higher Education and Employment Advancement Committee, requires the (1) boards of trustees of the community-technical colleges and the Connecticut State University System to establish alternative and renewable energy programs; (2) State Board of Education to review and, if necessary, modify the model green jobs program offered at the vocational-technical schools; and (3) higher education commissioner to study and report on academic programs to develop and expand green industries in the state.

sSB 1068, reported by the Commerce Committee, requires the Department of Economic and Community Development to establish a program to create green jobs and promote green energy and conservation.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 17 Nay 0 (03/12/2009)